

## On the Sustainable Development of Small Island Developing Nations in the Pacific Region

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### Abstract

Measures of surrogate variables relevant to sustainable development in small island developing nations are assembled in six tables which are respectively used to profile (1) satisfaction of basic needs, (2) progress towards sustainable development, (3) job security for sustainable development, (4) provision for safe, decent and habitat friendly work, (5) consolidation of sustainable development progress, and (6) business accountability for sustainable development. The content of each table is discussed and occasionally benchmarked against the content of relevant government reports. General speculative opinion drawn from the discussion is used as a basis for general conclusions about policy.

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## **Introduction**

This paper contains a general discussion about the journey to sustainable development in Pacific Ocean island nations. There is something of an irony in the subject in that the sustainable development being written about is a kind of imposition on all nations some of which were in significant respects sustainable within their own cultures before the unrelenting economic and social change of the late 20<sup>th</sup> and early 21<sup>st</sup> centuries.

Justification for writing about sustainable development in the manner of this paper is predicated on a belief that all nations, at the present time at least, each in their own ways and within their own cultures, are faced with the very difficult task of steering themselves through the rapid waters of 21<sup>st</sup> century change. As this paper will reveal there are considerable socio-legal, knowledge-know how, and cultural-change barriers confronting the sustainable development of small island developing nations. These barriers exist in addition to the many unmentioned problems generated by geo-politics, location and size.

## **Method and Housekeeping**

Method: the paper assembles six tables of surrogate measures used to profile (1) satisfaction of basic needs, (2) progress towards sustainable development, (3) job security for sustainable development, (4) safe, decent and habitat friendly work, (5) consolidation of sustainable development progress, and (6) business accountability for sustainable development. The content of each table is discussed and also benchmarked against the content of government reports. General conclusions are drawn. Six nations feature in the profiles and constitute the sample on which the discussion is based. The sample is best described as an “ad hoc” sample.

Housekeeping: three issues are mentioned.

(1) The paper is written by a person from one Pacific Ocean nation (Australia) about conditions in other Pacific Island nations. It is not written in the voice of one claiming to have solutions, nor is it pejorative, nor does it suggest that the Pacific Island region being spoken of is not a good place to live – it is, nor does it suggest that Australia is free from the problems spoken about – it isn’t, nor does it pretend that the discussion is irrelevant to Australia - it is very relevant to Australia where some groups of her indigenous peoples, to her shame, share little in her sustainable development. The fact that this paper focuses more on the downside issues should not prevent readers from recognising the beauty and richness of the region under discussion and the great potential its nations have in the coming years.

(2) A brief perusal of the Tables 1- 6 reveals that they contain matters of fact (eg whether a country has ratified an intergovernmental agreement or not), matters of statistics (for example % unemployed and the like), and rank positions on indices constructed from parametric and non parametric data scales. One way to treat this data would be to reveal its many deficiencies, focus on these instead of on the issues the data is attempting to highlight, and then reject the lot. This approach is left to other people. Accuracy and sufficiency of data and statistics is of course very

important but it is not of central importance in this paper. The data is used in this paper in the sense of finding the right “ballpark”. Positions within rankings are not the issue and the group of nations (the sample) on which the discussion of the paper is based was chosen in an ad hoc manner. Essentially the paper is qualitative.

(3) The paper is predicated on and motivated by a belief that the substantial potential of the small islands developing nations in the Pacific is compromised and threatened and that urgent national and regional cooperative strategy action is needed. The threat comes from the insatiable and ever increasing demand for resources by the developed world, and from the growth of the developing Chinese and Indian economies, and from the inability of the island states to develop quickly enough to minimise adverse effects generated by such demand. In the longer period it is imaginable that people from the developed world might migrate from the mess that they find themselves in, and bring a new set of problems with them to the Pacific. In some sense citizens of the island nations could become disinherited of their cultures especially if these cultures are caring and do not robustly embrace consumerism and unenlightened \$ value ethics. The paper gives some sense of the substantial amount of sustainable development work that needs to be done in order to help small island developing nations effectively manage unwanted change.

## **Discussion**

Table 1 gives, in a general way and subject to the qualifications expressed in the introduction, an indication of the situation characteristic of some aspects of small island developing nations in the Pacific Ocean. Tables 1 through 5 carry the colours of the beautiful Pacific Ocean and the one colour common to all of the tables, the blue, (black in the non colour printed version) is deep water in the metaphorical sense of deep trouble. For this colour reveals that no one can see the bed, the foundations upon which sustainable nation building must begin.

Table 1: Some indicators of the level of satisfaction of basic needs

Row #	Surrogate Measure	Fiji	Kiribati	Papua New Guinea	Samoa	Solomon Islands	Vanuatu
	<b>Basics</b> (Thought of and represented in this table by a group of surrogate measures which in a limited way catch the extent to which the most basic human needs have been provided for. Unfortunately a measure of homelessness eg % homeless could not be included.)						
1	% population with access to water	47	25	42	99	71	88
2	Renewable water km <sup>3</sup> /Year	28.6	N/A	801	N/A	44.7	N/A
3	% population with access to sanitation	43	54	82	99	34	100
4	Food security (% of total population undernourished 2002)	5	6	N/A	4	20	12
5	% illiterate 15-24 age	0.8	N/A	23.7	0.6	N/A	N/A
6	Is a Least Developed Country				✓	✓	✓
7	% of GDP to debt service	1.2	N/A	9.9	3	2.4	0.9

Source: *Sustainable Development Country Profiles* (2005), Trade Union Advisory Committee of the OECD, Paris, pp 121,122,189, 190, 283, 284, 307, 308, 327, 328, 391, 392.

Row 1 indicates the % of the populations who must obtain their water from vendors, bottled water, tanker trucks and unprotected wells and springs. Even under this definition Row 1 can be an understatement. For example the Papua New Guinea government's assessment elsewhere (Namaliu, 2004, p. 43) is that 30% have access to *safe* water, and its target for 2010 is 50%. The same report (p. 9) gives a *United Nations Development Program* (UNDP) estimate of 76% for that section of the population *not* having access to *safe* water. Samoa has to import water (UN, 2005b, p. 21) there being 13 commercial bottled water vendors of this basic commodity and in 2005 Samoa did not have in place legislation for sustainable management (Ibid, p. 48) of watershed catchment areas nor information bases or computer technology to map its catchment areas. Fiji likewise has inadequate legislation (UN, 2005a, p. 30) and in the Suva-Nausori area where piped water quality is compromised or is not available, 10,000 cases of infant diarrhoea were reported during 1995-2000 (Ibid, p. 102).

Row 3 reveals an unsatisfactory situation in respect of access to sanitation which translates into actual situations where "sewage effluent flows to streams and coastal waters, where bacteria levels unsuitable for contact activities are found in streams used for fishing and shellfish gathering, where pumping stations overflow frequently" (UN, 2005a, p. 102), and where "in rural areas most people continue to use the bush, beaches, or crudely built pit latrines or direct discharge latrines built over the water (sea or river)" (Namaliu, 2004, p. 46). Elsewhere there is "heavy pollution in the lagoon of South Tarawa Atoll due to heavy migration mixed with traditional practices such as lagoon latrines and open-pit dumping" (CIA, 2006, no pagination). Ground water (is) at risk (Ibid).

Food security (Row 4) is not satisfactory and the numbers say nothing of the droughts that inflict some of these nations. These droughts can be severe effecting as many as 200,000 people (Namaliu, p. 23) at any one time. The illiteracy level for one of the countries demonstrates the significant work to be done. Unfortunately suitably recent and relevant statistics on housing security are presently unavailable for Table 1 use. Clearly the Table 1 snapshot is general in nature and says nothing about regional and socioeconomic differences in the range of needs

satisfaction within individual countries. However it is clear that a considerable amount of work needs to be done.

Table 2 attempts a wider profile of conditions in Pacific small island developing nations and like every snapshot it shows only part of the larger picture. It does however reveal that some progress has been made

Table 2: Tracking and measuring sustainable development

Row #	Surrogate Measure	Fiji	Kiribati	Papua New Guinea	Samoa	Solomon Islands	Vanuatu
	<b>Realities</b> (Thought of and represented in this table as a group of surrogates which in some way measure the progress made - or lack of it- in light of the Table 1 basics).						
1	% population living on less than \$ per day	N/A	N/A	N/A	N/A	N/A	N/A
2	% Unemployment – economically active population	N/A	N/A	2.8	N/A	N/A	N/A
3	% women of total unemployment	37.78	N/A	N/A	N/A	N/A	N/A
4	% female of male income	N/A	N/A	N/A	N/A	N/A	N/A
5	% youth of total unemployment	N/A	N/A	N/A	N/A	N/A	N/A
6	% of children in primary education	99.3	N/A	83.8	96.9	N/A	95.9
7	Maternal mortality/10 <sup>5</sup> births	75	76	300	130	130	130
8	UN Human Development Index Ranking (x/177)	81	N/A	133	75	134	129
9	Indicator performance for Row 8 Human Development Index Rankings (1 = best)	0.76	N/A	0.54	0.77	0.62	0.57
10	ILO-SES Labour Market Security Rank (x/94;- 1 = best)	88	N/A	N/A	N/A	N/A	N/A
11	ILO_SES Classification	MTBD	Pragmatist	MTBD	N/A	N/A	N/A
12	UN Gender Related Development Index Ranking (x/144)	69	N/A	106	N/A	N/A	N/A
13	Indicator Performance for UN Gender Related Development Index. (1 = best)	0.747	N/A	0.536	N/A	N/A	N/A

Source: *Sustainable Development Country Profiles* (2005), Trade Union Advisory Committee of the OECD, Paris, pp 121,122,189, 190, 283, 284, 307, 308, 327, 328, 391, 392.

There is a lot of deep water in Table 2 which means that basic information for policy making is unavailable even in situations where there may be a political will to preventive and ameliorative public policy strategy at the national level, or regional cooperation in appropriate projects. Table 2 thus immediately reveals deficiencies in one of the key pillars of sustainable development viz, availability of knowledge and information for public policy analysis, and decision making.

Insights are available into what the unemployment statistics (Rows 2, 3 and 5) mean in terms of the lives and conditions of living human beings. For example Namaliu (2004, p. 43) advises that in his country unemployment in urban areas has increased substantially from 30.1% in 1990 and that it is becoming unmanageable requiring some 20,000 jobs annually just to maintain the status quo. Some 50,000 students graduate and/or drop out from school annually. For Samoa (UN, 2005b, p. 47) school drop outs are an increasing factor in unemployment, there is a slow movement from informal family oriented employment to formal paid employment but jobs are scarce (Ibid p. 46), employment creation is a key issue (p. 11), changing trade agreements may impact unfavourably on unemployment (ibid. p. 11), lack of paid employment is a key factor in

the nation's vulnerability (Ibid, p. 36) and women occupy 38% of the paid labour force in the non-agricultural sectors (Ibid, p. 40). In Samoa 5% of families are estimated to live on expenditures of less than \$1 per day (Row 1) (UN, 2005b, p. 38).

Row 6 statistics are encouraging but it is known that the lack of employment opportunities contributes to a brain drain in which those who do complete secondary and tertiary education in small island developing nations are often attracted to work opportunities in countries like Australia and New Zealand. For example, at the time of writing, lower wage rates for aged care nurses in Australia relative to rates paid in other Australian nursing specialisations, combined with the lack of employment opportunity in Papua New Guinea, is causing difficulties for the nursing sector in Papua New Guinea. Nurses trained in other specialisations are being attracted from Papua New Guinea to the aged care sector in Australia. The Row 7 maternal mortality rates are unsatisfactory. By comparison the rates for New Zealand, Australia, and Japan are 7, 8 and 10 respectively.

Rows 8 and 9 present UN Human Development Index data. The Human Development Index "is a composite of three basic components of human development: longevity, knowledge and standard of living. *Longevity* is measured by life expectancy. *Knowledge* is measured by a combination of adult literacy (two thirds weight) and mean years of schooling (one third weight). *Standard of living* is measured by purchasing power, based on real GDP per capita adjusted for the local cost of living (purchasing power parity)." (UNDP, 1994, p. 91). With the exception of Fiji all reported countries are in the less fortunate half of the 177 countries (Row 8) but the Row 9 numbers place Fiji and Samoa in the top quartile and Kiribati, Papua New Guinea, Vanuatu and the Solomon Islands in the next best quartile. These numbers are to be used carefully. To be sure the countries being written about are beautiful and the peoples of these nations are diverse and culturally rich. One working or living in Vanuatu, or the Solomon Islands say before its civil war, might easily conclude that if these countries have index numbers of 0.62 and 0.57 the situation in the remaining quartiles can't be as bad as the so called "bleeding hearts and do-gooders" sometimes claim. But all countries have their privileged enclaves and the small island developing nations are not different in this respect. It is fair to comment that much human development work needs to be done.

*The ILO-SES Labour Market Security Rank* features in the information provided in Rows 10 and 11 and the index is defined in full in Table 1 in the Appendix. The index attempts to measure the extent to which there are opportunities for adequate income earning activity and is based on input factors (eg, government interventions for employment), process factors (eg, growth rates), and outcome factors (eg male to female employment). Tables 3 and 4 below help explain the amount of "blue water" previously encountered in Rows 10 and 11 of Table 2 and the unsatisfactory state of affairs indicated by the index: put simply many measures of the factors on which the index is based are absent or in poor repair or are not appropriately culturally relevant. The Row 11 generic descriptors in Table 2 name Fiji and Papua New Guinea as *Much to be Done* Countries (MTBD) meaning that "these countries have the lowest levels of achievement of these goals, both in terms of policy commitment and on the outcomes scores" (TUAC, 2005b, Annex p. 3). Kiribati is among the *pragmatists*, those countries which "lack policy commitment, but ... (which) ... have a relatively good score on the outcomes" (Ibid, p. 3) – a definition which would no doubt catch many nations (sic.).

The gender divide is such a complex issue and the *Gender Related Development Index (GRDI)* numbers of Rows 12 and 13 can only indicate the general case. The GRDI is the *Human Development Index* of Rows 8 and 9 adjusted for gender difference. In spite of the caring wantok culture in these nations there are, as in most nations, substantial gender issues including violence to women.

Although the point is sometimes lost, long term economic and cultural growth and development of both people and nations still very much depends on the extent to which labour is used in the profit taking activities of firms. If profit is taken largely through employment of capital intensive technology in foreign “owned” enclaves, growth and development can be diminished by leakage from the circular flow of income. Secure paid work remains an important engine of development. Such work must be sustainable – safe and decent and habitat friendly- and this kind of work is the subject of the discussion about the content of Table 3.

Table 3: Labour for progress – the open society encouragement of secure work

Row #	Surrogate Measure	Fiji	Kiribati	Papua New Guinea	Samoa	Solomon Islands	Vanuatu
	<u>Representation Security</u> (Thought of and represented in this table by a group of surrogate measures which catch the extent to which jobs are secure thereby contributing to the emergence of safe and decent work through which individuals can defend themselves against society. This package of surrogate measures can be thought of as representing the ILO Fundamental Principles and Rights at Work)						
1	ILO 29 Forced Labour	✓	✓	✓		✓	
2	ILO 105 Abolish Forced Labour	✓	✓	✓			
3	ILO 138 Minimum Age	✓		✓			
4	ILO Equal Remuneration	✓		✓			
5	ILO 111 Discrimination in Employment	✓		✓			
6	ILO 182 Worst Forms of Child Labour	✓		✓			
7	ILO 87 Freedom of Association and Right to Organise	✓	✓	✓			
8	ILO 98 Right to Organise and Collective Bargaining	✓	✓	✓			
9	ILO-SES Representation Security Rank (x/99; 1 = best)	53	76	83	N/A	N/A	N/A

Source: *Sustainable Development Country Profiles* (2005), Trade Union Advisory Committee of the OECD, Paris, pp 121,122,189, 190, 283, 284, 307, 308, 327, 328, 391, 392.

The good news in Table 3 is its suggestion that there is political understanding of the importance of sustainable work and sustainable workplaces. The bad news is that Table 3 also suggests that this political understanding is not shared by all of the governments, or if it is shared has not always been transformed into socio-legal infrastructure. As noted, the ILO Conventions in Rows 1 through 8 hallmark the ILO’s *Fundamental Principles of Rights at Work*. Unfortunately however signing or even ratifying a convention is no guarantee that successful practical applications will follow. Signing or ratification is a beginning but it may not lead to sustained policy and intervention where there is no political or wider moral will, or where \$ value ethics

override wider human condition concerns. For example Fiji has all the boxes ticked but the Global Unions believe that recently when “the Public Services Union faced a fierce union-busting drive by the airport authorities” (GTU, 2004, p.57) the government “appeared less than enthusiastic in enforcing trade union rights (Ibid, p.57). There are many persons in another Pacific Ocean Island - Australia – who presently believe that Union rights, and ILO conventions along with them, are severely compromised. The Government of the day spins differently claiming its industrial relations initiatives are reforms.

In any event the ILO-SES Representation Security Rank numbers present in Row 9, if they are generally representative, reveal that job security is not in good standing. The index is defined in the Appendix and measures, inter alia, the voice humans have in determining secure work and access to that work. Work security is a serious problem in the region. Without job security human capital is severely compromised, so too is society (especially as globalisation erodes the wontok culture of care), and so too is the nation in the overseas world.

Table 4 below is awash with blue water.

Table 4: Keeping work and workplaces decent, safe and habitat friendly

Row #	Surrogate Measure	Fiji	Kiribati	Papua New Guinea	Samoa	Solomon Islands	Vanuatu
<u>Health, Environment and Work</u> (Thought of and represented in this table by a group of surrogate measures which catch the extent to which the “secure” jobs promoted in Rows 1 through 8 above are safe for human health and habitat.)							
1	Persistent Org. Pollutants POPs Convention	✓		✓	✓		
2	PIC Prior Informed Consent Convention				✓		
3	Basel Convention for Hazardous Wastes		✓	✓	✓		
4	UN Chemical Labels/Workplace Data Sheets						
5	ILO 170 Chemicals Convention						
6	Has Banned Asbestos						
7	HIV (% adults infected)	0.1	N/A	0.7		N/A	N/A
8	Aids Discrimination Protection in Labour/Social Law						
9	% population with access to essential drugs	95-100	N/A	80-94	95-100	80-94	N/A
10	% GDP to Health Public Expenditure	2.7	N/A	3.9	4.7	4.7	2.3
11	ILO 148 Working Environment						
12	ILO 184 Agricultural Worker Protection						
13	ILO 161 Occupational Health Services						
14	ILO 155 Occupational Safety and Health						
15	UN Aarhus Convention on Information and Participation in Environment						
16	UNEP Biodiversity Convention	✓	✓		✓	✓	✓
17	UNEP Protocol on Biosafety	✓			✓		
18	Has adopted 28 April as National OH&S day						
19	Workplace Accident Fatality Estimate x/10 <sup>5</sup>	20	27	29	N/A	21	N/A

Source: *Sustainable Development Country Profiles* (2005), Trade Union Advisory Committee of the OECD, Paris, pp 121,122,189, 190, 283, 284, 307, 308, 327, 328, 391, 392.



Rows 11-14 reveal the drift in respect of the job security so sought after and confronted above in the Table 3 discussion. Rows 11-14 reveal that even if public policy job creation and security interventions emerge and succeed there is no politico-legal infrastructure guarantee that the jobs so emerging will be monitored, checked and balanced for possible detrimental effects to human health, biodiversity and human and other animal habitat. Row 18 contains a low cost public awareness policy strategy that has proven very effective in other countries. It is one that can initially be initiated by NGOs and can operate within the ideas infrastructure of schools, churches, family and polemic. I would be so pleased to put persons interested in this strategy in touch with key persons in the Major Groups Section of the *Commission for Sustainable Development* who unite this day worldwide.

Table 4 surrogates reveal a disappointing situation. Rows 4, 5 and 6 are full of deep water. It is blue at present but as has been revealed in some places it is turning murky and polluted. The disturbing pollution of OK Tedi in Papua New Guinea by a multinational is now the legend of documentary and debate and its legacy is lost habitat, poisoned food supply, poisoned people and ugly visible pollution. There is no time to waste: urgent regional cooperation is required to protect and sustainably manage the beautiful and valuable biodiversity blessings of these nations and the regions they share. Politicians collectively in these countries and in Australia and New Zealand and in Asia too are asked to jettison the noise, and spin and vanity fair of their activity for a more sincere, enlightened, genuine and cooperative focus on a careful and culturally sensitive plan of development. So big an ask – yes: but so easy a can do if they but would begin to do it. Row 16 (the biodiversity convention) is a fresh breeze across the blue water. Unfortunately ratification of the Biological Convention per se, did not prevent the large scale plunder of tropical fish that followed the release of the movie called *Finding Nemo*.

One should not give up: Certainly some politicians, like some of us all, are beyond salvage in their sociopath and hubris dimensions. But the majority worldwide know instinctively that they rule only with the consent of the people (a consent sometimes beaten out of the people) and they track this consent with a second listening sense (those that have it) or formally through commissioned survey or in other ways. The majority of politicians are thus reachable (if not always useful or competent), and many are self-interested enough to peacefully discern when numbers behind citizen movements are ballot box significant. And yes it is agreed that trying to reach some politicians in some countries is a very dangerous work and that in most countries attempts of various kinds are made to compromise the ballot box. These general claims are not presently made of the countries under discussion and it would not be appropriate to single out nations and politicians in a paper like this. All of the political comment of this paragraph is so obvious and universal that it needs repeating lest we fail to see it. NGOs and civil society groups have a lot to do, within the law, to encourage those in power to lift their game in respect of sustainable development in the Pacific. The leaders are encouraged to start listening and lifting. Rows 1, 2 and 3 reveal that there is an awareness that the people themselves, and foreign nations, and multinational and national companies will, if they can, dump their wastes in their own and other people's back yards. Unfortunately Rows 4, 5 and 6 reveal that some of the day to day check and balance infrastructure is not in place. This is disturbing given for example that in one of the countries some of 363 deaths occur annually from hazardous substances, and given that through education and training and industry *Codes of Practice*, deaths of this kind are preventable. Much foundational work needs to be done in respect of bringing ticks to the boxes

for *Chemical Labels and Workplace Data Sheets*, the *Chemicals Convention*, and the *Banning of Asbestos* rows.

The HIV/IDS of Row 7 moves quickly and infection rates in pre and post natal clinics in Papua New Guinea range between 1% and 3% in 2006. In HIV/AIDS terms the epidemic is not emerging, it has begun. The lack of HIV/AIDS numbers for individual nations is disturbing and one trusts that peace keepers in the Solomon Islands have been educated towards, and monitored for, safe behaviour in respect to contraction and transmission of this infliction. For benchmark purposes the Row 19 (workplace fatalities) can be compared with those for Australia and New Zealand - 3 and 4 respectively.

Table 5 surrogates are something of a mixture but roughly they are indicative of the knowledge and awareness infrastructure that informs sustainable development. Our beautiful island flotilla is again somewhat adrift in deep water. The matrix speaks for itself although it is not the full picture. For example in Papua New Guinea there has been political agitation for the establishment of a *National Sustainable Development Committee* with wide ranging powers which Committee might “ensure that the relevant Departments and Agencies take on board the implementation of different sustainable development issues as outlined in the National Sustainable Development Strategy or the National Development Plan” (2004, pp. xi-xii ).

Table 5: Consolidation

Row #	Surrogate Measure	Fiji	Kiribati	Papua New Guinea	Samoa	Solomon Islands	Vanuatu
	Social Infrastructure/Built Capacity/Awareness and Social Consciousness Thought of and presented in this table as a group of surrogate measures which catch consolidation dimensions of sustainable development).						
1	Has a national recycling scheme	✓	✓				✓
2	Awareness raising and campaigns on Sustainable Development		✓				✓
3	Regulatory Mechanisms for Consumer Protection	✓	✓				✓
4	Has a National Sustainable Development Strategy						
5	Has a Poverty Reduction Strategy						
6	Has an Economic Processing Zones	✓					
7	ILO Maternity Protection Convention						
8	UN Human Trafficking Protocol						
9	UN Elimination of Discrimination against Women Convention	✓	✓	✓	✓	✓	✓
10	ILO 100 Equal Remuneration Convention	✓		✓			

Source: *Sustainable Development Country Profiles* (2005), Trade Union Advisory Committee of the OECD, Paris, pp 121,122,189, 190, 283, 284, 307, 308, 327, 328, 391, 392.

Table 6 surrogates attempt to catch the sense of the ethical and social behaviour context which might inform government, business and work behaviour.

Table 6: Ethical dimensions and contexts

<u>Accountability</u> Thought of and represented in this table as a group of surrogates which reflect efforts made to encourage transparency and accountability in business activity.)						
1	Country has elements for MNE Framework					
2	Has adopted OECD guidelines for MNEs					
3	Has engaged in dialogue on corporate governance with OECD and World Bank					
4	Social and Responsible MNEs	✓	✓	✓	✓	✓

Source: *Sustainable Development Country Profiles* (2005), Trade Union Advisory Committee of the OECD, Paris, pp 121,122,189, 190, 283, 284, 307, 308, 327, 328, 391, 392.

Table 6 is predicated on the assertions that the right kind of business for the 21<sup>st</sup> century is social and responsible business and the right form of public behaviour for government, business and labour, is transparent behaviour. The ILO MNE framework (Row 1) seeks to provide hallmarks to inform profit taking. It captures the many dimensions of indices cited in previous tables: eg equality of opportunity, child labour, health and safety. The OECD Guidelines provide recommendations for good corporate behaviour and go to such domains as industrial relations, combating bribery, and the like. Table 1 in the Appendix provides more information on the MNE framework and the OECD guidelines. The flotilla of beautiful islands is again adrift in that sea of deep water in Table 6 and no charts guide the way. Row 1 and 2 infrastructure is urgently needed to assist the Row 4 firms to be mindful of their commitment to social and responsible behaviour.

Row 4 represents firms listed in the *FT500* or *Forbes2000* that have involved themselves in one or more of the following agreements: Global Compact, Ethic Trade, SA8000, GRI, BSR, TCOlabelling, or a framework agreement with a Global Union member. If correctly managed, these firms can provide a very valuable contribution to the sustainable development in the region. They must be helped in this by having to consult a cogent law backed up by the power of bye-law and court. Effecting such arrangements is not easy to do as many countries have found. Some honest and forthright reporting gives an indication of the distance to be travelled: literacy levels, shortages in technological capacity, training and expertise, insufficient funding of government departments, a failure on the part of government to take its commitments under international conventions and treaties seriously, uncoordinated legislation and poorly integrated legislation resulting in an ad hoc approach to sustainable development issues, lack of appropriate cooperation between the different levels of government, corruption within government, and generally low levels of public awareness about sustainable development issues are listed as system issues limiting the government's ability to implement reform let alone effectively monitor compliance in the forestry, mining, and intensive land use sectors, or effectively protect fisheries (Namaliu, 2004, p.x-xvi). Ongoing examples confirm this view. At a conference in 2005, in the region, a national delegate asked why, just last week, his company was sold a piece of office equipment containing environmentally outlawed substances. Unfortunately, small scale dumping of this kind isn't a good sign and begs the question of the nature of larger scale transactions. Australia of course, on a daily basis, and like its neighbours, is unable to protect its waters from illegal fishing.

## Conclusion

Small island developing states are not well prepared for sustainable development. Two policy directions are suggested.

(1) Small island nation governments, where they can, could attempt to leverage sustainable development know-how from foreign firms (a) by requiring those firms to behave as they would be required to behave in their own countries and (b) by insisting that this behaviour is required of local participants in the supply chain. Having firms and individuals so behave is not always an easy task and social and responsible business groups and the safe and civil society movements should raise the consciousness of politicians on this front.

What kinds of education and training and research might complement policy directions of the kind summarised under (1) above? Special training in the occupational and environmental health laws of Australia and New Zealand, and the European Union (in fact in the laws of all the “home” countries of the multinational firms operating in the various Pacific Ocean small island nations), and in floors in the effectiveness of these laws, and in practical know how in respect of inspecting and enforcing these laws may be useful. So too research is required into how to transform small island laws into laws that also require multinational firms to carry cultural integrity forward as a part of economic development. Personnel from the multinational firms themselves might also cooperatively undertake such education, training and research in true third wave environmental behaviour. Research about more effective ways for the safe and civil society networks to peacefully and legally influence government decision making might also be useful. The strategies outlined above are predicated on the assumption that laws of some kind are already in place. The training needed might well be training for elected members into how to effectively draft and proclaim relevant and effective legislation - a training some might say is in scarce supply worldwide.

(2) Small island developing nations could consider how they can refrain from selling their geopolitical location and integrity cheaply. In dealings with foreign governments they could base their offsets dealings on education, health, employment, and food, water, housing and sanitation sustainability. They could signal these priorities clearly. They could also cooperate to bring forward sanctioned regional cooperation aimed at better protecting their biodiversity resources. Sadly, in the writer’s opinion, the governments both Australia and Papua New Guinea have failed their people by being unable to implement a cooperative law and order agreement.

What kind of education and training and research could complement strategy of the kind summarised under (2) above? Education and training in business culture and behaviour, and in good government, may serve to bring forward unifying views. Training in negotiation may well bring forward fruitful results. Training in commercial law and contract writing too might bring benefits. All such training should be informed by knowledge about the ecosystems that sustain life in the various nations. In this respect research opportunities are unlimited so that education and training to equip nationals to engage with, and participate as members of, regional research teams is also important.

Such general policy directions are easier to point out than they are to translate into specifics. Sometimes such general statements are better not written at all given that the citizens face more

acute and immediate deprivations. Such general policies can also be “catch 22” in that they require a level of capacity development not yet possessed by some nations in the region. Such wide ranging policies are doubly difficult to apply when the tax base is small. In such cases small island developing nations should continue to present their special case through appropriate regional and UN channels. The stakes are high and the ethical position is clear: no shareholder’s profit should be another person’s industrial sickness and death. No national or foreign shareholder’s profits should be the loss of another’s sustainable habitat. If ethics has no sway, there is a pragmatic dimension. Without sustainable habitat we are all dead, even in the short run.

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## Appendix

Table 1: Brief definitions and related information

ILO-SES Labour Market Security Ranking	<p>The Labour Market Security Index has been developed by the ILO Social and Economic Security Programme. Labour market security arises from an environment in which there are opportunities for adequate income earning activities. It takes account of the structure, levels, and expectations related to employment, because security arises from assumptions that opportunities will improve or remain satisfactory tend to lead to labour market security.</p> <p>The index works with Input, Process and Outcome indicators. i) The input indicators verify the institutional commitment towards the provision of labour market security (e.g. ratification of the ILO convention 122 on Employment Policy), governmental commitments to full employment, existence of an unemployment social security scheme and legal banning of gender discrimination for recruitment. ii) The process indicators show the commitment of governments, in practice, i.e. the existence of public employment services, level of public consumption per head of the working age population, average annual growth rate of GDP during the 90's and variation of annual GDP growth, as well as the gross capital formation as a percentage of GDP. iii) The outcome indicators capture the results of national economic policy and performance with respect to the labour market, i.e. unemployment rate, ratio of male to female unemployment, average annual growth of employment between 1990 and 1999 and an estimation of the unpaid or partially paid jobs. In the Profiles you will see under “ILO-SES Labour Market Rnk” a number in a small dotted square, showing where a country ranks (among 94 countries that have been evaluated so far). Then, you will see the term “considered as” followed by a dotted rectangular box, which will contain one of the following key words:</p> <ul style="list-style-type: none"> <li>• Pacesetter: These are the countries that have the highest scores in ensuring labour market security to their citizens.</li> <li>• Pragmatist: These countries lack policy commitment, but they have a relatively good score on the outcomes.</li> <li>• Conventional: These countries have policy commitment, but in practice, laws and codes are not reflected in the outcomes, which remain poor, but they have mechanisms showing government commitment.</li> <li>• Much to be done: These countries have the lowest levels on achievement of the goals, both in terms of policy commitment and on the outcomes scores.</li> </ul> <p>Source: (TUAC, 2005a, Appendix p.3)</p>
ILO-SES Representation Security Ranking	<p>The Representation Security Index has been developed by the ILO Social and Economic Security Programme. Representation security is about workers having voice. This is considered essential, in that having voice is the optimal way of advancing and defending our interests. But it is also a substantive need in its own right, since having voice is intrinsic to defining one's identity as a human being. Voice is required for many purposes in the sphere of work, the most notable being to negotiate over wages and benefits and working practices (including Health &amp; Safety), for information-gathering, and for evaluating the impact of work practices or policies at the workplace level over a broad range of issues. Voice is essential at all levels of social policy, from design to implementation to monitoring and evaluation. The index focuses on standard aspects of freedom of association. It is made by analysing a combination of: i) input indicators that verify the ratification of ILO Conventions 87 (Freedom of Association and Right to Organise) and Convention 98 (Rights to Organise and Collective Bargaining) and whether or not trade unions are allowed to organize; ii) process indicators that capture mechanisms for strengthening voice and verify if a tripartite body exists to deal with labour and social policies. They also verify whether or not a country's legislature permits organizations to promote workers' interests and assesses the percentage of workers covered by collective agreements. Employment rates are also captured; and iii) outcome indicators that include the results of policies as measured by unionization rates and verify their rate of change during the 1990s. The index also incorporates data from the Civil Liberties Index (as developed by Freedom House). In the Profiles you will see under “ILO-SES Repr. Security Rnk” a number in a small dotted square, showing where a country Ranks (among 99 countries that have been evaluated so far). Then, you will see the term “considered as” followed by a dotted rectangular box, which will contain one of the following key words:</p> <ul style="list-style-type: none"> <li>• Pacesetter: These are the countries that have the highest scores in ensuring Voice and representation to their citizens.</li> <li>• Pragmatist: These countries lack policy commitment, but they have a relatively good score on the outcomes.</li> <li>• Conventional: These countries have policy commitment, but in practice, laws and codes are not reflected in the outcomes, which remain poor, but they have mechanisms showing government commitment.</li> <li>• Much to be done: These countries have the lowest levels on achievement of the goals, both in terms of policy commitment and on the outcomes scores.</li> </ul>
Kyoto Protocol	The <i>Kyoto Protocol</i> (the full name is <i>Kyoto Protocol to the United Nations Framework Convention on Climate Change</i> ) is an international treaty on

	concerned with climate change. Countries which ratify this protocol pledge either to reduce their emissions of six greenhouse gasses, including carbon dioxide, or participate in emissions trading should they maintain or increase emissions of these gases. The protocol aims to stabilise greenhouse gas concentrations in the atmosphere so as to prevent dangerous anthropogenic interference with the climate system.
UN Gender Related Development Index	<p><b>Gender-related Development Index (GDI):</b> GDI is a composite index using the same variables as the human development index (HDI). The difference is that the GDI adjusts the average achievement of each country in life expectancy, educational attainment and income to account for inequalities between men and women.</p> <p>Data Source: UNDP Human Development Report (UNDP, 2005)</p> <p><b>Human Development Index (HDI):</b> The human development index (HDI) is a composite index based on the weighted average of three indices: educational attainment index measuring a combination of the adult literacy rate (two-thirds weight) and the combined gross primary, secondary and tertiary enrolment ratio (one-third weight); life expectancy index measuring life expectancy at birth; and adjusted GDP per capita (PPP \$) index measuring the standard of living. Ratings for the HDI are the following: Values between 0.1 – 0.499 imply low human development Values between 0.5 – 0.799 imply medium human development Values between 0.8 – 0.999 imply high human development Data Source: UNDP Human Development Report (UNDP, 2005)</p>
UN Human Development Index	<p>The HDI measures the average achievements in a country in three basic dimensions of human development: 1) A long and healthy life, as measured by life expectancy at birth; 2) Knowledge, as measured by the adult literacy rate (with two-thirds weight); 3) the combined primary, secondary and tertiary gross enrolment ratio (with one-third weight); and 4) A decent standard of living, as measured by GDP per capita (PPP USD).</p> <p>Source: (TUAC, 2005a, Annex p. 2)</p>
ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy	<p>The MNE Declaration seeks to encourage the positive contribution multinational enterprises make to economic and social progress and to minimize and resolve the difficulties to which their various operations may give rise. It takes into account principles such as employment promotion, equality of opportunity and treatment, security of employment, training, wages, benefits and conditions of work, minimum age, child labor, safety and health, freedom of association and the right to organize, collective bargaining, consultation, examination of grievances and settlement of industrial disputes.</p> <p><a href="http://www.ilo.org/public/english/standards/norm/sources/mne.htm">http://www.ilo.org/public/english/standards/norm/sources/mne.htm</a></p>
OECD Guidelines for Multinational Enterprises	<p>The Guidelines are recommendations for good corporate behaviour primarily addressed to enterprises in those countries that adhere to them. These include the 30 OECD countries, plus Argentina, Brazil, Chile, Estonia, Lithuania and Slovenia. Governments must meet their responsibilities over, for example, setting up a functioning and effective National Contact Point, and must work constructively with trade unions. The guidelines chapters cover the following aspects: employment and industrial relations, environments, combating bribery, consumer interests, science &amp; technology, competition and taxation. See TUAC Users' Guide: <a href="http://www.tuac.org/News/default.htm#2">http://www.tuac.org/News/default.htm#2</a></p>
OECD Corporate Governance Principles	<p>The OECD Principles of Corporate Governance provide specific guidance for policymakers, regulators and market participants in improving the legal, institutional and regulatory framework that underpins corporate governance, with a focus on publicly traded companies. They also provide practical suggestions for stock exchanges, investors, corporations and other parties that have a role in the process of developing good corporate governance. The Principles cover six key areas of corporate governance – ensuring the basis for an effective corporate governance framework; the rights of shareholders; the equitable treatment of shareholders; the role of stakeholders in corporate governance; disclosure and transparency; and the responsibilities of the board.</p> <p><a href="http://www.oecd.org/dataoecd/41/32/33647763.pdf">http://www.oecd.org/dataoecd/41/32/33647763.pdf</a></p>

Source: *Sustainable Development Country Profiles* (2005), Trade Union Advisory Committee of the OECD, Paris, Annex, pp.1-7.

Table 2: Web addresses

#	Convention	Convention Address
1	ILO 98 Right to Organise and Collective Bargaining Convention	<a href="http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm">http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm</a>
2	ILO 105 Abolish Forced labour	
3	ILO 87 Freedom of Association and Right to Organise Convention	
4	ILO 100 Equal Remuneration	
5	ILO 111 Discrimination in Employment	
6	ILO 29 Forced Labour Convention	
7	ILO 138 Minimum Age Convention	
8	ILO 182 Worst Forms of Child Labour Convention	
9	ILO Fundamental Principles and Rights at Work	<a href="http://www.ilo.org/dyn/declaris/DECLARATIONWEB.ABOUTDECLARATIONHOME?var_language=EN">http://www.ilo.org/dyn/declaris/DECLARATIONWEB.ABOUTDECLARATIONHOME?var_language=EN</a>
10	Global Compact	<a href="http://www.unglobalcompact.org/Portal/Default.asp?">http://www.unglobalcompact.org/Portal/Default.asp?</a>
11	Ethical Trade Initiative	<a href="http://www.google.com.au/search?hl=en&amp;q=ethic+trade+initiative&amp;meta=">http://www.google.com.au/search?hl=en&amp;q=ethic+trade+initiative&amp;meta=</a>
12	Business for Social Responsibility	<a href="http://www.bsr.org/">http://www.bsr.org/</a>
13	Global Reporting Initiative	<a href="http://www.globalreporting.org/">http://www.globalreporting.org/</a>
	World Business Council for Sustainable Development	<a href="http://www.wbcsd.ch/templates/TemplateWBCSD5/layout.asp?MenuID=1">http://www.wbcsd.ch/templates/TemplateWBCSD5/layout.asp?MenuID=1</a>
14	TCO Labelling	<a href="http://www.cleanproduction.org/Labeling/TCO.htm">http://www.cleanproduction.org/Labeling/TCO.htm</a>
15	Declaration of Principles for Multinational Enterprises and Social Policy.	<a href="http://www.ilo.org/public/english/standards/norm/sources/mne.htm">http://www.ilo.org/public/english/standards/norm/sources/mne.htm</a>
	WWF Footprint	<a href="http://www.footprintnetwork.org/">http://www.footprintnetwork.org/</a> <a href="http://www.panda.org/news_facts/publications/general/livingplanet/index.cfm">http://www.panda.org/news_facts/publications/general/livingplanet/index.cfm</a>
	ILO-SES Labour Market Security Ranking	<a href="http://www.ilo.org/public/english/protection/ses/index.htm">http://www.ilo.org/public/english/protection/ses/index.htm</a>
	ILO-SES Representation Security Ranking	<a href="http://www.ilo.org/public/english/protection/ses/index.htm">http://www.ilo.org/public/english/protection/ses/index.htm</a>
	Kyoto Protocol	<a href="http://unfccc.int/resource/docs/convkp/kpeng.html">http://unfccc.int/resource/docs/convkp/kpeng.html</a>
	UN Gender Related Ranking	<a href="http://hdr.undp.org/statistics/indices/">http://hdr.undp.org/statistics/indices/</a>
	UN Human Development Index	<a href="http://www.undp.org/hdr2003/indicator/indic_196_1_1.html">http://www.undp.org/hdr2003/indicator/indic_196_1_1.html</a>
	ILO-SES Gender Related Development Index	<a href="http://www.undp.org/hdr2003/indicator/indic_196_1_1.html">http://www.undp.org/hdr2003/indicator/indic_196_1_1.html</a>
	ILO 148 Working Environment	<a href="http://www.ilo.org/public/english/protection/safework/cis/oshworld/ilostd/c148.htm">http://www.ilo.org/public/english/protection/safework/cis/oshworld/ilostd/c148.htm</a>
	ILO 184 Agricultural Worker Protection	<a href="http://www.ilo.org/public/english/protection/safework/standard.htm">http://www.ilo.org/public/english/protection/safework/standard.htm</a>
	ILO 161 Occupational Health Services	<a href="http://www.ilo.org/public/english/protection/safework/health/">http://www.ilo.org/public/english/protection/safework/health/</a>
	UNEP Protocol on Biodiversity	<a href="http://www.biodiv.org/">http://www.biodiv.org/</a>
	UN Aarhus Convention on Information and Participation in Environment	<a href="http://www.unece.org/env/pp/documents/cep43e.pdf">http://www.unece.org/env/pp/documents/cep43e.pdf</a>
	UNEP Biodiversity Convention	<a href="http://www.biodiv.org/">http://www.biodiv.org/</a>



Table 2 (Continued)

	ILO Tripartite Declaration of Principles for Multinational Enterprises and Social Policy	<a href="http://www.ilo.org/public/english/standards/norm/sources/mne.htm">http://www.ilo.org/public/english/standards/norm/sources/mne.htm</a>
	OECD Guidelines for Multinational Enterprises	<a href="http://www.oecd.org/dataoecd/56/36/1922428.pdf">http://www.oecd.org/dataoecd/56/36/1922428.pdf</a>

Source: *The World Wide Web*